

HOUSE SUMMARY OF SENATE AMENDMENTS

House Bill No. 578 by Representative Richmond

TAX/INCOME-INDIV/EXEMPT: Increases tax credits for employment of certain persons related to the prevention of recidivism by persons released from incarceration

Synopsis of Senate Amendments

- 1. Removes age limit (35 years old) regarding nonviolent offenders.

Digest of Bill as Finally Passed by Senate

Present law authorizes a tax credit against the personal or corporation income tax liability of a taxpayer who employs a first-time drug offender who is under 25 years of age and who has completed a court-ordered drug treatment/rehabilitation program. The amount of the credit is \$200 per employee, and the credit may be taken for two years per employee. To be eligible for the credit, the employee shall have worked for 180 days in a full-time, 30-hour-per-week capacity.

Proposed law changes present law by changing the application of the credit from first time drug offenders below the age of 25 to nonviolent offenders of any age, by increasing the amount of the tax credit from \$200 to \$1,000, by limiting the credit to one year instead of two, and by changing the work week requirement from 30 hours to 35 hours.

Proposed law adds to present law eligibility for persons who have completed court-ordered programs other than court-ordered drug treatment/rehabilitation programs.

Proposed law defines "nonviolent offense" to be an offense which is neither a crime of violence as defined in R.S. 14:2(B), nor a sex crime as defined in R.S. 15:541, nor a habitual offense punishable under R.S. 15:529.1.

Present law authorizes a tax credit against the individual and corporation income tax liability of a taxpayer who employs a first-time nonviolent offender. The amount of the credit is \$200 per employee, and the credit may be taken for two years per employee. To be eligible for the credit, the employee shall have worked for 180 days in a full-time, 30-hour-per-week capacity.

Proposed law changes present law by changing the application of the credit from first-time nonviolent offenders to felony offenders, by increasing the amount of the tax credit from \$200 to \$2,500, and by changing the work week requirement from 30 hours to 35 hours.

Proposed law adds to present law eligibility for persons who have completed court-ordered programs other than court-ordered drug treatment/rehabilitation programs.

Proposed law defines "felony" offense to be a crime of violence as defined in R.S. 14:2.

Present law authorizes a tax credit against the corporation income tax liability of a taxpayer who employs a convicted felon who has completed the Intensive Incarceration Program provided by DPS&C, and who, prior to such employment had been unemployed for the preceding six months. The amount of the credit is \$150 per employee, and the credit may be taken for two years per employee. To be eligible for the credit, the employee shall have worked for six months in a full-time, 30-hour-per-week capacity.

Repeals present law for the tax credit for employment of convicted felons who have completed the Intensive Incarceration Program.

Provisions of this Act are applicable to taxable periods beginning on or after Jan. 1, 2009.

(Amends R.S. 47:297(K) and (O) and 287.752; Adds R.S. 47:287.786; Repeals R.S. 47:287.748)